

SYSTEMS AND METHODS FOR SELECTIVE USE OF RISK MODELS TO PREDICT FINANCIAL RISK

Abstract of the Disclosure

A risk system that performs a risk assessment of a financial transaction to obtain a first risk score, and based on first risk score performs post-score assessments by selectively utilizing various scoring models and databases. By performing post-score risk assessments on financial transactions that otherwise would be rejected based on standard risk assessments, a check acceptance service is able to determine transaction risks in an improved manner. Thus more transactions that are likely to be beneficial to the check acceptance service and merchants that subscribe to such service are authorized. These post-score authorized transactions generally fail the standard risk assessments that use a cutoff risk score to divide the transactions into either authorized or declined groups. The post-score process re-assesses some of the borderline risks in order to capture beneficial transactions.

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